

Newcastle Parks Trust

Governance
July 2018



Articles of Association – Newcastle Parks Trust

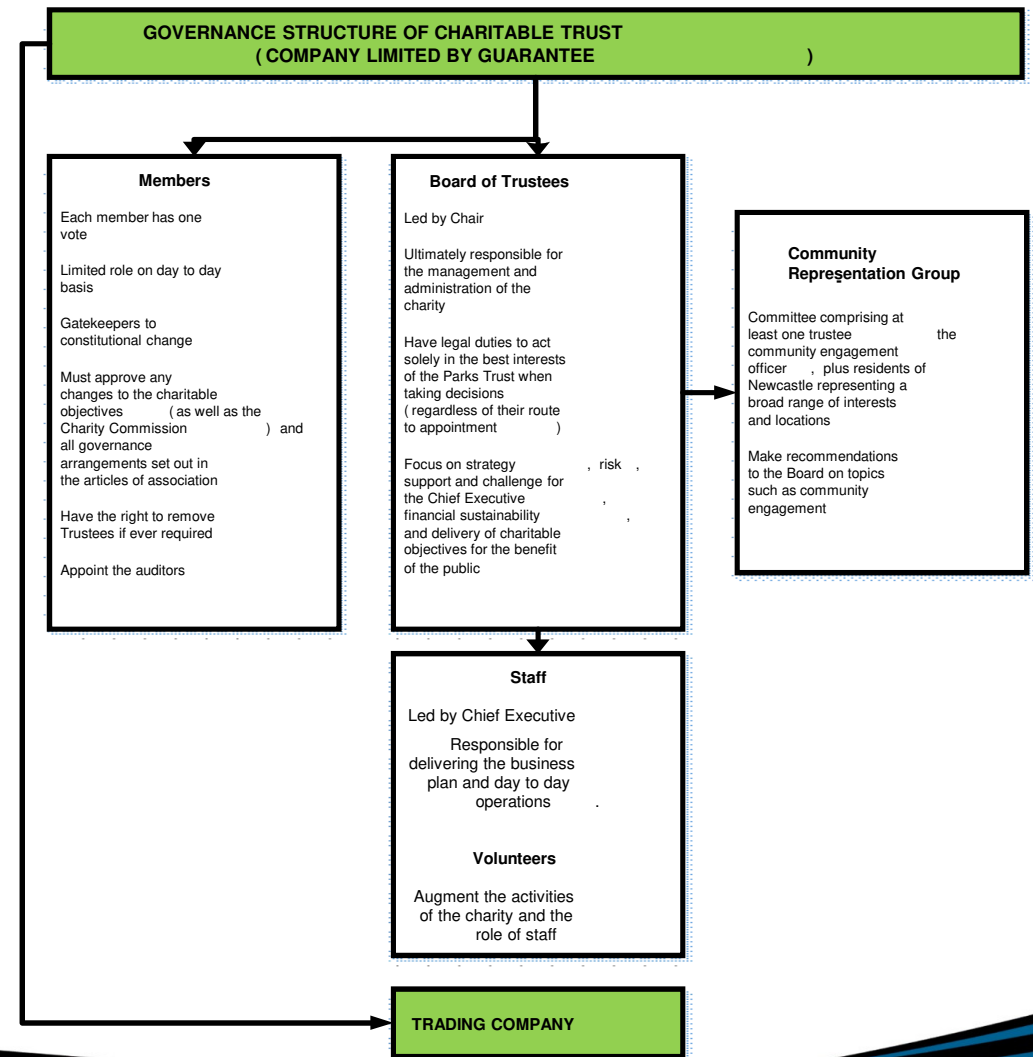
During the ongoing consultation process it was agreed that the Council would share details of the governance arrangements for Newcastle Parks Trust once a full draft was available.

The document that sets out the constitution for the Parks Trust is the Articles of Association:

<https://www.newcastle.gov.uk/leisure-libraries-and-tourism/parks-and-countryside/future-newcastles-parks-and-allotments>

Structure

- Charitable company limited by guarantee
- Members – holders of the guarantee
- Board of Trustees who are also directors of the company
- Community Rep Group (sub-committee of Board of Trustees)
- Trading company



Charitable Objects

The only Objects for which the Trust is established are for the public benefit, and in particular for the benefit of the inhabitants of and visitors to Newcastle upon Tyne and the surrounding areas to:

1. provide, maintain, protect, improve and equip parks, gardens, landscaped areas, woodlands, open spaces, playing fields and recreational amenity spaces (the Parks);
2. advance health and well-being by promoting participation in healthy outdoor recreation and amateur sport;
3. provide or assist in the provision of facilities for recreation or other leisure time occupation in the interests of social welfare and with the object of improving the conditions of life for the inhabitants of Newcastle upon Tyne and the surrounding areas; and

Charitable Objects cont.

Ancillary to the above objectives, to advance education in particular in:

- the conservation, protection and improvement of the natural environment including the flora and fauna, wildlife, biodiversity and natural habitats of the Parks;
- the history, culture, heritage and traditions of the North East; and
- the promotion and encouragement of the arts, in particular within the Parks.

Members

- Gatekeepers and custodians of the charity
- Not less than 6 and no more than 11 Members
- Newcastle City Council **has to be** one of the Members
- The other Members will organisations that have an interest in some or all of the Charitable Objects
- A Member can be removed by majority vote of the Trustees if continued presence considered harmful to the Trust
- **EXCEPT** the Council cannot be removed as a Member against its will

Board of Trustees (1)

- At least 13 in total
- 2 City Council Nominees including Vice Chair
- Open recruitment process
- Appointed on basis of skills and experience
- Appointed for 3 year terms
- Staggered appointments to avoid simultaneous retirements

Skills Mix

Academic and civic networks

Charities

Commercial/Financial

Health

Land Management

Legal

Media and Comms

Board of Trustees (2)

- Can be re-appointed to a maximum of 9 years
- After 9 years can be re-appointed after a 4 year break
- Dispensation provisions for outstanding service
- Provisions for disqualification / removal
- Generally meetings must have at least 1/3 Trustees present including 1 NCC Trustee and 2 Appointed Trustees
- Must meet at least twice a year
- Powers to appoint Chair and Vice Chair and honorary posts

Board of Trustees (3)

- Prepare annual accounts and reports for both Companies House and Charity Commission
- Accountable to Charity Commission for their actions
- **Must also prepare annual report for the public on previous year activities and forthcoming activities**
- Code of Conduct – guidelines for expected standards of behaviour when fulfilling their obligations to the Trust
- Duty to act and take decisions solely in the best interests of the Trust, act in good faith with diligence and skill, take care of the Trust's property and safeguard its assets, avoid conflicts of interest, not act for financial or material benefit, duty to comply with the law and all relevant regulations

Use of Income and Property

- Income and property is solely for the purpose of the Objects
- No bonuses, dividends, profit to Members
- Trustees cannot be appointed to paid posts

But can pay for:-

- Goods / services supplied by Members or Trustees
- Out of pocket expenses
- Provided they are actually required by the Trust, reasonably paid and in the best interests of the Trust

Conflicts of Interest

- Trustees must disclose whenever they or someone/body connected to them has an interest which could directly / indirectly conflict with the Trust's interests
- Duty to avoid conflicts
- Where conflicts exist, decisions can still be made
- Steps set out in Articles of Association to ensure the conflicted party does not unduly influence the decision, and ensure proper decisions are still taken

Meetings

- First Annual General Meeting (AGM) within 18 months of incorporation
- After that, not more than 15 months gap between AGM's
- The meeting is for Members and Trustees
- Business conducted includes:-
 - Consider the accounts, balance sheets, report of the Trustees and Auditors
 - Appointment of Auditors
 - Report on Trustees appointed or resigned since last AGM
- Other meetings ("General Meetings") – notice given to Members, Trustees and Auditors and chaired by Chair of the Board of Trustees

Community Representation Group [CRG] (1)

- Not a legal requirement – a result of public consultation
- Sub-committee of the Board of Trustees enshrined in the constitution
- Draft terms of reference to be recommended to Board of Trustees

Focus groups have influenced draft terms of reference:-

- Allotment Working Group
- Parks Forum
- Voluntary Sector via NCVS

The Chair and at least 5 reps must be present to have a valid meeting

- 1 vote each – decisions taken by majority vote – Chair has a casting vote in the event of deadlock
- Minutes provided to Board and Chief Executive and then made public.

Community Representation Group (2)

- Chaired by a Trustee in recognition of its importance
- No more than 12 representatives:
 - One park representative from the East of the City
 - One allotment representative from the East of the City
 - One park representative from the West of the City
 - One allotment representative from the West of the City
 - Up to seven individuals to collectively represent the views of the community in which the Trust operates

Remit of CRG (1)

- principles under which the Trust should use its resources fairly and equitably across all of its estate
- most suitable ways to consult with the public on key decisions
- principles under which technology should be used to reach a broader range of residents cost effectively
- co-ordinate community fundraising for and on behalf of the Board
- make representations to the Board of the views of the Friends of Groups.
- such other issues as are delegated by the Board

Remit of CRG (2)

- the ethical principles under which the Trust should authorise its wholly owned trading subsidiary to:-
 - ✓ undertake non-charitable activities within the parks in order to raise money for the Trust
 - ✓ engage with commercial third parties who wish to use the parks

Building Equal Relationships and Expectations

- The Council will recommend that the Trust sets out the basis for relationships between it and Friends Groups and other volunteers
- Suggest Memorandum of Understanding with the Trust
 - How to work together and communicate effectively
 - Designated contact points
 - Commitments to consultation from Trust
 - Alignment of group activities with Trust objectives
 - Covers training, induction and events
 - Standard form of constitution

Trading Company

- Sits under the main charitable company – ordinary company limited by shares
- Wholly owned by the Newcastle Parks Trust (company limited by guarantee will be the sole shareholder)
- Directors are likely to be a combination of trustees, newly appointed commercial directors and the Chief Executive of the Trust
- All distributable profits passed to the Trust to further its objects
- Incorporated to generate income for the Trust in ways that it cannot because it is a charity. Standard approach in the charity sector.

Any questions?